IN THE HIGH COURT OF GUJARAT AT AHMEDABAD

COMPANY PETITION No 296 of 1996

with

COMPANY PETITION No 297 of 1996

For Approval and Signature:

Hon'ble MR.JUSTICE N.G.NANDI

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1. Whether Reporters of Local Papers may be allowed to see the judgements? : NO

2. To be referred to the Reporter or not? : NO

3. Whether Their Lordships wish to see the fair copy of the judgement? : NO

4. Whether this case involves a substantial question of law as to the interpretation of the Constitution of India, 1950 of any Order made thereunder? : NO

5. Whether it is to be circulated to the Civil Judge? : NO

WESTERN METAL CAPS LTD.

Versus

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Appearance:

1. COMPANY PETITION No. 296 of 1996
   MR ASHWIN L SHAH for Petitioner No. 1
   MR KETAN A DAVE for Respondent No. 1
   MR BHARAT T RAO for Respondent No. 1
   MS PJ DAVAWALA for Respondent No. 1
2. COMPANY PETITION No. 297 of 1996
   MR ASHWIN L SHAH for Petitioner No. 1
   MS PJ DAVAWALA for Respondent No. 1

CORAM : MR.JUSTICE N.G.NANDI

Date of decision: 16/10/2001

COMMON (ORAL) JUDGEMENT

1. Ms. P.J.Davawala learned counsel for Central Government has filed the communication dated 17.9.2001 received from the Regional Director. The Regional Director has neither objected nor consented to the scheme of amalgamation as prayed in these petitions. It appears that Regional Director does not object to the scheme of amalgamation being granted as prayed.

2. Company Petition No. 296 of 1996 is a petition by Prayas Castings Ltd. (the Transferee Company) and Company Petition No. 297 of 1996 is a petition by Western Metal Caps Ltd. (Transferor Company) for sanction of a Scheme of Amalgamation of the Transferor Company with the Transferee Company under Section 391 read with Section 394 of the Companies Act, 1956. The said Transferor Company is a sister concern of the Transferee Company. Both the said companies are registered in the State of Gujarat and are carrying on their business in the said State of Gujarat. Both the said companies are deemed public companies under the then section 43A of the said Act.

3. The Transferee Company is engaged in the business of both the companies is manufacturing metal castings. Neither of them is listed with any stock exchange. The petitions give the advantages that would flow by the amalgamation of these two companies.

4. In view of the fact that the consent in writing of the creditors and members of the both companies were undertaken to be filed with the present Company Petitions, the convening of their meetings was dispensed with by an order dated 1.3.1996 passed in Company Application No. 150 and Company Application No. 151 of 1996. Accordingly, the said consents in writing are already filed with the present petitions.

5. After the petitions were admitted, the dates of their hearing were duly advertised in the newspapers and the publication of the said dates in the Gujarat Govt. Gazette was dispensed with as per the directions given in the order of the Court.

6. Notices of the said petitions have been served upon the Central Govt. and Smt. P.J.Davawala,

Additional Standing Counsel of the Central Govt. appears. She has put on record the letter dated 17.9.2001 indicating that the Central Govt. does not oppose to object to the said Scheme of Amalgamation.

7. I have heard Shri Ashwin Lalbhai Shah, learned advocate for the petitioners in both the said petitions. Having gone through the said petitions, I am satisfied that said amalgamation would be in the interest of the said Companies and their members and creditors. Under the circumstances, the Scheme of Amalgamation (Annexure-A to the petitions) is sanctioned. Prayer in terms of paragraph 11 of Company Petition No. 296 and paragraph 10 of Company Petition No. 297 of 1996 is hereby granted.

8. The petitions are disposed of accordingly. So far as the costs to be paid to the Central Govt. Additional Standing Counsel is concerned, I quantify the same at Rs.2,500/- in each of the said two petitions to be paid to Smt. P.J.Davawala.

(N.G.Nandi,J.)

(vipul)_